

Jurnal Administrare: Jurnal Pemikiran Ilmiah dan Pendidikan Administrasi Perkantoran
Vol. 7, No. 1, January - June 2020, Pages 109-116
p-ISSN: 2407-1765, e-ISSN: 2541-1306
Homepage: <http://ojs.unm.ac.id/index.php/administrare/index>

The Influence of Marketing, Promotion and Reputation Strategies on Purchasing Decisions in Savings and Loans Cooperatives in South Tangerang

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ABSTRACT

Each cooperative must have the right marketing strategy, such as further increasing the productive capacity of its members, so that they can face market competition which merely emphasizes the norm of efficiency. This study aims to determine the marketing strategy, promotion, and reputation of purchasing decisions at the Savings and Loan Cooperative in South Tangerang. The method used was explanatory research with a sample of 90 respondents. The analysis technique uses statistical analysis with regression testing, correlation, determination, and hypothesis testing. The results of this study's marketing strategies significantly influence purchasing decisions by 33.2%, hypothesis testing obtained significance 0,000 <0.05. The promotion has a significant effect on purchasing decisions of 36.6%, hypothesis testing is obtained significance of 0,000 <0.05. Reputation has a significant effect on purchasing decisions by 26.9%, hypothesis testing obtained significance 0,000 <0.05. Marketing strategy, promotion, and reputation simultaneously have a significant effect on purchasing decisions by 51.4%, hypothesis testing obtained significance 0,000 <0.05.

Keywords: Marketing strategies; promotions; reputation; purchasing decisions

INTRODUCTION

In Indonesia, many people do not understand the benefits and advantages of being a member of a cooperative due to the lack of information received due to less than maximum marketing, promotion, and reputation strategies. People's economy is an economic activity that is in favor of the community, especially in improving the economy of the community in particular and the government in general (Farida, 2017; Niswaty et al., 2016). Cooperative itself is an economic activity that makes its members prosperous because the cooperative is an economic activity of members for members, which can prosper the members of the cooperative are members of the cooperative itself (Irmal et al., 2020).

In its development, the types of cooperatives that develop tend to vary. This diversity is certainly strongly influenced by the background of the formation and goals to be achieved by each cooperative. Cooperatives can then be classified into several large groups based on the approach. Cooperative grouping based on the business sectors such as consumer cooperatives, production cooperatives, marketing cooperatives, and credit/savings and credit cooperatives. In this study, we specialize cooperatives engaged in Savings and Loans. Looking at the decline in the amount of savings and loans, especially in loan transactions due to cooperatives not using a marketing mix strategy, there is still a lack of promotion carried out by cooperatives, there are still many members who do not believe in the existence of cooperatives.

Each cooperative must have an appropriate marketing strategy, such as further increasing the productive capacity of its members so that they can face market competition which merely emphasizes the norm of efficiency (Hollensen, 2010; Parola et al., 2018; Peter et al., 1999). This is in line with what was said (Mani, 2018) that the strategy in marketing is an important asset owned by a company because the strategy is a tool to achieve the desired goals that are to achieve maximum sales levels and get the maximum profit. Further explained that competition in business can certainly make the industry and market more attractive, the high intensity of rivalry is characterized by the application of marketing strategies such as what can win the hearts of customers makes its value for the company. Competitor products that will enter the same market or the same segmentation must also have a competitive advantage (Ferrara et al., 2019; Ferrari et al., 2017; Roy et al., 2017)

The superiority of a product is not guaranteed to be the people's choice (Chenavaz et al., 2020; Steinhäuser et al., 2019; Wen & Siqin, 2020). A product requires a way to be known to the wider community. This method finally talks to the public that a product is worthy to be chosen because of excellence or other reasons. Marketing a product requires communication tools or media to introduce the product to the target market (Jiménez-Asenjo & Filipescu, 2019; Krämer et al., 2017; Varadarajan, 2020). This communication tool to connect producers and consumers is called promotion. Promotion is an activity carried out by a company that aims to inform, persuade, influence, and remind consumers to buy products from the company. The purpose of promotion is to get attention, educate, remind, and convince potential customers (Ma & Koutsopoulos, 2019; Mead et al., 2020; Yang & Mattila, 2020).

Promotional activities are very important so that the products provided by savings and loan cooperatives can be known and subsequently consumer interest arises to choose according to their needs (Deng et al., 2018; Zaric & Xie, 2009). If consumer interest has arisen, it will be very large later to determine purchasing decisions on savings and loan products available in cooperatives. Promoting the product is one thing that is very important for business progress, because, without the promotion, we can be sure that product sales will not succeed optimally. To be able to provide maximum results in promotional activities, some stages can be carried out by savings and credit cooperatives in product promotion. One of the stages in determining the target market and choosing the right media for promotion.

A reputation is built on corporate identity as the first point reflected through company names (logos) and other displays, for example from annual reports, brochures, product packaging, office interior, employee uniforms, advertisements, media coverage, written material, and social audio. Corporate identity is also non-physical, such as corporate values and philosophy, service, work style, and communication, both internal and external. The current reputation that is reflected in savings and loan cooperatives is an award that is obtained because of the advantages of the cooperative, namely the ability possessed by cooperatives so that they will continue to develop themselves to be able to create new things to meet the needs of consumers of each savings and loan cooperative.

METHOD

The type of research used is associative, where the aim is to find out the search for interconnection. The population in this study amounted to 90 respondents of Saving and Credit Cooperatives in South Tangerang. The sampling technique in this study is saturated sampling, where all members of the population are sampled. Thus the sample in this study amounted to 90 respondents. In analyzing the data used the instrument test, classical assumption test, regression, coefficient of determination, and hypothesis testing.

RESULT AND DISCUSSION

This test used to determine the highest minimum and maximum scores, rating scores, and standard deviations of each variable. The results are as follows:

Table 1.
Descriptive Statistics Analysis Results

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Marketing Strategy (X1)	90	29	46	37.26	3.677
Promotion (X2)	90	30	46	36.93	3.355
Reputation (X3)	90	30	46	37.56	3.703
Purchase Decision (Y)	90	32	46	38.52	3.216
Valid N (listwise)	90				

The marketing strategy obtained a minimum variance of 29 and a maximum variance of 46 with a rating score of 37.26 with a standard deviation of 3.677. Promotion obtained a minimum variance of 30 and a maximum variance of 46 with a rating score of 36.93 with a standard deviation of 3.355. Reputation obtained a minimum variance of 30 and a maximum variance of 46 with a rating score of 37.56 with a standard deviation of 3.703. The purchase decision obtained a minimum variance of 32 and a maximum variance of 46 with a rating score of 38.52 with a standard deviation of 3.216

The Influence of Marketing Strategies on Purchasing Decisions

Correlation coefficient analysis is intended to determine the level of relationship strength of the marketing strategy variable to the purchase decision variable. The test results are as follows:

Table 2.

Correlation Coefficient Testing Results of Marketing Strategies Against Purchasing Decisions

Correlations ^b			
		Marketing Strategy (X1)	Purchase Decision (Y)
Marketing Strategy (X1)	Pearson Correlation	1	.576**
	Sig. (2-tailed)		.000
Purchase Decision (Y)	Pearson Correlation	.576**	1
	Sig. (2-tailed)	.000	

** . Correlation is significant at the 0.01 level (2-tailed).

b. Listwise N=90

Based on the results obtained from a value of 0.576 intent marketing strategies that have a relationship with the purchase decision.

Analysis of the coefficient of determination to determine the magnitude of the effect of the marketing variable strategy on the purchase decision variable. Results

Table 3.
Test Results for the Determination of the Marketing Strategy Coefficient on Purchasing Decisions

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.576 ^a	.332	.324	2.644

a. Predictors: (Constant), Marketing strategy (X1)

Based on the test results obtained a determination value of 0.332 means that the marketing strategy has an influence contribution of 33.2% to the decision of the buyer

Hypothesis testing with a t-test is used to find out which partial hypotheses are accepted. The first hypothesis: there is a significant influence between marketing strategies on purchasing decisions.

Table 4.
Hypothesis Test Results of Marketing Strategies Against Purchasing Decisions

Coefficients ^a					
Model		Unstandardized Coefficients		Standardized Coefficients	Sig.
		B	Std. Error	Beta	
1	(Constant)	19.757	2.854		.000
	Marketing strategy (X1)	.504	.076	.576	.000

a. Dependent Variable: Purchase decision (Y)

Based on the test results in the above table, the value of $t_{\text{count}} > t_{\text{table}}$ or $(6.607 > 1.987)$ is obtained, thus the first hypothesis proposed that there is a significant influence on the marketing strategy on purchasing decisions is accepted

The Influence of Promotion on Purchasing Decisions

Correlation coefficient analysis is intended to determine the level of strength of the relationship of the promotion variable to the purchase decision variable. The test results are as follows:

Table 5.
Test Results Correlation Coefficient Promotion of Purchasing Decisions
Correlations^b

		Promotion (X2)	Purchase Decision
Promotion (X2)	Pearson Correlation	1	.605**
	Sig. (2-tailed)		.000
Purchase Decision (Y)	Pearson Correlation	.605**	1
	Sig. (2-tailed)	.000	

** . Correlation is significant at the 0.01 level (2-tailed).

b. Listwise N=90

Based on the test results obtained by the correlation value of 0.605 means that promotion has a strong relationship with the purchase decision.

The coefficient of determination analysis is intended to find out the percentage of the effect of the promotion variable on the purchase decision variable. The test results are as follows:

Table 6.
Test Results for Promotion Determination Coefficient on Purchasing Decisions
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.605 ^a	.366	.359	2.575

a. Predictors: (Constant), Promotion (X2)

Based on the test results obtained a determination value of 0.366 means that promotion has a contribution of 36.6% to the purchase decision.

Hypothesis testing with the t-test is used to accept which partial hypotheses are accepted. The second hypothesis: looks significant between promotions and purchasing decisions

Table 7.
Promotion Hypothesis Test Results on Purchasing Decisions
Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	17.093	3.017		5.666	.000
Promotion (X2)	.580	.081	.605	7.132	.000

a. Dependent Variable: Purchase Decision (Y)

Based on the test results in the above table, the value of $t_{count} > t_{table}$ or $(7.132 > 1.987)$ is obtained, thus the second hypothesis proposed that there is a significant influence between promotion and purchasing decision is accepted

The Influence of Reputation on Purchasing Decisions

Correlation coefficient analysis is intended to determine the level of strength of the relationship of the variable of the reputation of the purchase decision variable. The test results are as follows:

Table 8.
Results of Testing the Reputation Correlation Coefficient on Purchasing Decisions
Correlations^b

		Reputation (X3)	Purchase Decision (Y)
Reputation (X3)	Pearson Correlation	1	.519**
	Sig. (2-tailed)		.000
Purchase Decision (Y)	Pearson Correlation	.519**	1
	Sig. (2-tailed)	.000	

**. Correlation is significant at the 0.01 level (2-tailed).

b. Listwise N=78

Based on the test results obtained by a correlation value of 0.519 means that reputation has a moderate relationship to the purchase decision.

The coefficient of determination analysis is intended to find out the percentage of the effect of the reputation variable on the purchase decision variable. The test results are as follows:

Table 9.
Test Results for the Reputation Determination Coefficient on Purchasing Decisions
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.519 ^a	.269	.261	2.765

a. Predictors: (Constant), Reputation (X3)

Based on the test results obtained a determination value of 0.269 means that reputation has a contribution of 26.9% of the influence on purchasing decisions.

Hypothesis testing with a t-test is used to find out which partial hypotheses are accepted. Third hypothesis: there is a significant influence between reputation on purchasing decisions

Table 10.
Results of Reputation Hypothesis Tests on Purchasing Decisions
Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	21.598	2.987		7.231	.000
Reputation (X3)	.451	.079	.519	5.694	.000

a. Dependent Variable: Purchase Decision (Y)

Based on the test results in the above table, the value of $t_{count} > t_{table}$ or $(5.694 > 1.987)$ is obtained, thus the third hypothesis proposed that there is a significant influence between reputation on purchasing decisions is accepted.

The Influence of Marketing, Promotion and Reputation Strategies on Purchasing Decisions

This regression test is intended to determine changes in marketing strategy variables, promo if the purchase decision variable changes. The test results are as follows:

Table 11.
Multiple Linear Regression Testing Results
Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	8.224	3.194		2.575	.012
Marketing Strategy (X1)	.314	.077	.358	4.071	.000
Promotion (X2)	.261	.096	.272	2.720	.008
Reputation (X3)	.239	.077	.276	3.103	.003

a. Dependent Variable: Purchase Decision (Y)

Based on the test results in the above table, the regression equation $Y = 8.224 + 0.314X_1 + 0.261X_2 + 0.239X_3$ is obtained. From the equation it is explained that a constant of 8.224 is interpreted if the marketing, promotion, and reputation strategies do not exist, then there has been a purchase decision value of 8.224 points. The marketing strategy regression coefficient is 0.314, this number is positive, meaning that every time there is an increase in marketing strategy by 0.314 points, the purchasing decision will also increase by 0.314 points. The promotion regression coefficient of 0.261, this number is positive, meaning that every time there is an increase in the promotion of 0.261 points, the purchasing decision will also increase by 0.261 points. The reputation regression coefficient is 0.239, this number is positive, meaning that

every time there is an increase in reputation by 0.239 points, the purchasing decision will also increase by 0.239 points.

Correlation coefficient analysis is intended to determine the level of strength of the relationship between the variables of marketing strategy, promotion, and reputation of the purchase decision variable. The test results are as follows:

Table 12.
Simultaneous Coefficient Testing Results of Marketing, Promotion and Reputation Strategies Against Purchasing Decisions

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.717 ^a	.514	.497	2.281

a. Predictors: (Constant), Reputation (X3), Marketing Strategy (X1), Promotion (X2)

Based on the test results obtained by a correlation value of 0.717 means that marketing strategies, promotions, and reputation simultaneously have a strong relationship to purchasing decisions.

The coefficient of determination analysis is intended to find out the percentage of the influence of the marketing strategy, promotion, and reputation variables on the purchase decision variable. Based on the test results obtained a determination value of 0.514 means that simultaneous marketing, promotion, and reputation strategies have an influence contribution of 51.4% to the purchase decision, while the remaining 48.6% is influenced by other factors.

Hypothesis testing with the F test is used to find out which simultaneous hypotheses are accepted. The fourth hypothesis There is a significant influence between marketing strategy, promotion, and reputation on purchasing decisions.

Table 13.
Hypothesis Test Results for Marketing, Promotion, and Reputation Strategies Against Purchasing Decisions.

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	473.114	3	157.705	30.318	.000 ^b
	Residual	447.341	86	5.202		
	Total	920.456	89			

a. Dependent Variable: Buying decision (Y)

b. Predictors: (Constant), Reputation (X3), Marketing Strategy (X1), Promotion (X2)

Based on the test results in the above table, obtained F count > F table or (30.318 > 2.710), thus the fourth hypothesis proposed that there is a significant influence between marketing strategy, promotion, and reputation on the purchase decision is accepted.

Discussion

The Influence of Marketing Strategies on Purchasing Decisions

The marketing strategy has a significant effect on purchasing decisions with a correlation of 0.576 or has a moderate relationship with a contribution of 33.2%. Hypothesis testing obtained $t_{count} > t_{table}$ or $(6.607 > 1.987)$. Thus the first hypothesis proposed that there is a significant influence between marketing strategies on purchasing decisions.

The Influence of Promotion on Purchasing Decisions

The promotion has a significant effect on purchasing decisions with a correlation of 0.605 or has a strong relationship with a contribution of 36.6%. Hypothesis testing obtained $t_{count} > t_{table}$ or $(7.132 > 1.987)$. Thus the second hypothesis is proposed that there is a significant influence between promotion and purchase decision.

The Influence of Reputation on Purchasing Decisions

Reputation has a significant effect on purchasing decisions with a correlation of 0.519 or has a moderate relationship with a contribution of 26.9%. Hypothesis testing obtained $t_{count} > t_{table}$ or $(5.694 > 1.987)$. Thus the third hypothesis is proposed that there is a significant effect between promotions on purchasing decisions accepted.

The Influence of Marketing, Promotion and Reputation Strategies on Purchasing Decisions

Marketing, promotion and reputation strategies have a significant effect on purchasing decisions by obtaining a regression equation $Y = 8.224 + 0.314X_1 + 0.261X_2 + 0.239X_3$, the correlation value of 0.717 or has a strong relationship with the contribution of influence of 51.4% while the rest of 48, 6% is influenced by other factors. Hypothesis testing obtained by calculating the $F_{value} > F_{table}$ or $(30.318 > 2.710)$. Thus the fourth hypothesis proposed that there is a significant effect between marketing strategy, promotion and reputation on purchasing decisions is accepted

CONCLUSION

The marketing strategy has a significant effect on purchasing decisions with an influence contribution of 33.2%. Hypothesis testing obtained $t_{count} > t_{table}$ or $(6.607 > 1.987)$. The promotion has a significant effect on purchasing decisions with an influence contribution of 36.6%. Hypothesis testing obtained $t_{count} > t_{table}$ or $(7.132 > 1.987)$. Reputation has a significant effect on purchasing decisions with an influence contribution of 26.9%. Hypothesis testing obtained $t_{count} > t_{table}$ or $(5.694 > 1.987)$. Marketing, promotion, and reputation strategies have a significant effect on purchasing decisions with a contribution of 51.4% while the remaining 48.6% is influenced by other factors. Hypothesis testing obtained $F_{count} > F_{table}$ or $(30.318 > 2.710)$.

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